

Summary of Evidence from a Selection of Cash Transfer Programs and Pilots

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PART 1: EXPERIENCE IN CANADA

PLACE	PROGRAM(S)	SUMMARY DESCRIPTION	SUMMARY EVIDENCE
CANADA	Canada Child Tax Benefit & National Child Benefit Supplement	Income-tested cash transfer programs to families with children under 18	<ul style="list-style-type: none"> • Strong poverty reduction effect • Low income families spend benefits on food, child care, transportation and educational investments (tuition, computer equipment) • Improved child educational test scores, especially for boys • Plausible reduction in stress within low income households • Improved child (especially for girls) and maternal mental health • Large decreases in parental spending on alcohol and tobacco • Increased employment in single-parent households
References:	<ul style="list-style-type: none"> • http://www.theglobeandmail.com/globe-debate/the-truth-about-canadas-low-income-benefits-they-work/article24042813/ • http://www.nber.org/papers/w21101 • http://faculty.arts.ubc.ca/kmilligan/research/papers/benefits-outcomes4.4.pdf • http://www.esdc.gc.ca/assets/portfolio/docs/en/reports/evaluations/2013/sp_1052_10_13_eng.pdf 		
CANADA	Old Age Security & Guaranteed Income Supplement	Income-tested cash transfer programs to adults 65 years of age and over	<ul style="list-style-type: none"> • Significant decrease in seniors' poverty when seniors turn 65 • Significant increase in seniors' food security when seniors turn 65 • Better self-reported health and mental health among seniors 65-74, compared to adults 55-64
References:	<ul style="list-style-type: none"> • http://behindthenumbers.ca/2012/02/02/raising-the-oas-eligibility-age-would-raise-poverty-in-old-age/ • http://policyschool.ucalgary.ca/sites/default/files/research/emery-foodbankfinal.pdf 		

MANITOBA	MINCOME	Over 1974–1979, a federal–Manitoba cash transfer experiment involving a sample of low income families in Winnipeg and all residents of Dauphin, about one-third of whom were eligible for stipends	<ul style="list-style-type: none"> • Minimal reduction in annual hours worked by income recipients • Dauphin youth more likely to continue on to grades 11 and 12 enrollment than youth elsewhere • 8.5% decline in hospitalization rates, particularly for accidents, injuries and mental illness • Decline in physician contacts related to mental illness • Administration of monthly cash transfer payments is feasible, including while tracking family status and household income
References:	<ul style="list-style-type: none"> • http://www.huffingtonpost.ca/2014/12/23/mincome-in-dauphin-manitoba_n_6335682.html • http://public.econ.duke.edu/~erw/197/forget-cea%20%282%29.pdf • http://archive.irpp.org/po/archive/jan01/hum.pdf 		

PART 2: EXPERIENCE IN OTHER HIGH INCOME JURISDICTIONS

PLACE	PROGRAM(S)	SUMMARY DESCRIPTION	SUMMARY EVIDENCE
ALASKA	Permanent Fund Dividend	Since 1982, an annual dividend paid to state residents as share of oil resource royalties; 2015 dividend was US\$2072/resident	<ul style="list-style-type: none"> • Poverty reduction within the state • Helped make Alaska one of the least unequal of all U.S. states • No stigma attached to the dividend • Significant, positive macroeconomic effects within state economy
References:	<ul style="list-style-type: none"> • http://www.yesmagazine.org/issues/cities-are-now/in-alaska-everyone-gets-paid-thousands-in-oil-dividends-per-year • http://www.iser.uaa.alaska.edu/Publications/bien_xiii_ak_pfd_lessons.pdf 		
FINLAND	Pilot basic income program	The new Finnish government, formed in 2015, is committed to implementing a basic income experiment; details forthcoming	<ul style="list-style-type: none"> • Forthcoming
References:	<ul style="list-style-type: none"> • http://www.bbc.com/news/world-europe-33977636 • http://www.basicincome.org/news/2015/06/finland-new-government-commits-to-a-basic-income-experiment/ 		
NETHERLANDS	City experiments in basic income	The Dutch cities of Utrecht, Tilburg and possibly two dozen others or more will undertake basic income experiments in the near future; details forthcoming	<ul style="list-style-type: none"> • Forthcoming
References:	<ul style="list-style-type: none"> • http://qz.com/437088/utrecht-will-give-money-for-free-to-its-citizens-will-it-make-them-lazier/ • http://qz.com/473779/several-dutch-cities-want-to-give-residents-a-no-strings-attached-basic-income/ 		

NEW YORK CITY	Opportunity NYC	Over 2007–2010, a privately-funded, NGO-run, 3-part pilot program in New York City that included (in the “Family Rewards” component) 2400 families receiving a variety of rewards and incentives, including cash, for meeting health, education, job training and work goals	<ul style="list-style-type: none"> • Family Rewards reduced poverty, hunger and housing insecurity • Participants increased savings • High school student educational outcomes improved • Reduction in emergency hospitalizations for routine medical care • Increased likelihood of participants receiving preventative dental care
References:	<ul style="list-style-type: none"> • http://www.mdrc.org/sites/default/files/full_588.pdf • http://www.mdrc.org/sites/default/files/full_425.pdf 		
SOUTH CAROLINA	Casino profits sharing by the Eastern Band of Cherokee Indians	The Eastern Band of Cherokee Indians distributes one half of its annual casino earnings among its members. In 2006 the transfer amounted to US\$9,000 per tribal member.	<ul style="list-style-type: none"> • Decreased parental stress and improved parenting quality • Improved on-time high school student graduation rates • Decrease in minor crimes by Cherokee youth • The earlier the transfer arrived in a Cherokee child’s life the better was the child’s mental health in early adulthood.
References:	<ul style="list-style-type: none"> • http://opinionator.blogs.nytimes.com/2014/01/18/what-happens-when-the-poor-receive-a-stipend/?_php=true&_type=blogs&_r=3 		

PLACE	PROGRAM(S)	SUMMARY DESCRIPTION	SUMMARY EVIDENCE
UNITED KINGDOM	Personalized Budgets for Rough Sleepers	A municipally-funded, NGO-run, award-winning pilot program, beginning in 2009, by which people who were among the long-term homeless population in London were given cash (£3000/person budgeted) to spend as individuals wished, towards a long-term plan of moving into and staying in housing	<ul style="list-style-type: none"> • Majority of participants moved into housing and were able to stay housed • Many developed independent living skills and addressed physical and mental health issues • Participants emphasized the dignity, control and freedom they experienced and the personal support they received, as important for their success • No participant misspent the cash transfer on alcohol or drugs • As a result of the pilot, City of London integrated the strategy into its homelessness programs while other U.K. cities became interested in the model
References:	<ul style="list-style-type: none"> • http://www.economist.com/node/17420321 • http://www.theguardian.com/housing-network/2012/may/21/rough-sleepers-personal-support-prejudiced-by-staff • http://www.broadwaylondon.org/aboutus/LatestNews/PersonalisedBudgetsProjectWinsAndyLudlowAward.html 		
UNITED STATES	Office of Economic Opportunity Experiments	Over 1968–1976, basic income experiments were conducted for (1) urban populations in New Jersey and Philadelphia; (2) rural populations in North Carolina and Iowa; (3) single parents in Gary, Indiana; and (4) urban populations in Seattle and Denver; experiments looked at questions of labour supply, family composition, education and health	<ul style="list-style-type: none"> • Overall work reduction of 13 per cent for whole families, evenly divided between primary, secondary and tertiary earners • As primary earners worked the most hours, the actual reduction in hours worked by them was quite small • Largest reduction in hours worked was among tertiary earners and came largely in the form of adolescent children staying in school until completion of high school. • While data gathered across the experiments varied, overall showed a positive impact on education, both for children and adults • Children performed better on test scores and were more likely to stay in school • Adults were more likely to pursue continuing education
References:	<ul style="list-style-type: none"> • http://public.econ.duke.edu/~erw/197/forget-cea%20%282%29.pdf • http://works.bepress.com/widerquist/14/ 		

PART 3: EXPERIENCE IN LOW AND MIDDLE INCOME JURISDICTIONS

PLACE	PROGRAM(S)	SUMMARY DESCRIPTION	SUMMARY EVIDENCE
BRAZIL	Bolsa Familia (Family Grant)	Since 2003, a conditional cash transfer to 12 million low income citizens; program costs only 0.5% of GDP	<ul style="list-style-type: none"> • Dramatic reductions in inequality and poverty • 40% decrease in infant mortality in 10 years • Greater gender equity • Grade school enrollment at nearly 100% • Youth with grant support graduate from high school at nearly twice the rate as those who do not have grant support • “no meaningful evidence that Bolsa Família reduces labor supply”
References:	<ul style="list-style-type: none"> • http://www.theglobeandmail.com/news/world/what-would-robin-hood-do-how-cash-handouts-are-remaking-lives-in-brazil/article16113695/#dashboard/follows/ • de Brauw, A. et al. (2012) The Impact of Bolsa Familia on Child, Maternal and Household Welfare (International Food Policy Research Institute) 		
INDIA	Madhya Pradesh Unconditional Cash Transfers Project	A pilot unconditional cash transfer program in rural areas of the state of Madhya Pradesh, to test the difference transfers make in addressing vulnerabilities of the poor. Over a 12–17 month period (2011–2012), every individual in eight villages, and 6000 people altogether, received monthly BI while individuals in another 12 villages did not receive BI.	<ul style="list-style-type: none"> • Improved sanitation • Better access to drinking water • Improved energy and lighting sources • Significant increases in ownership of household assets • Significant increases in food sufficiency • Significant increases in child nutrition • No increase in spending on alcohol • Majority of BI recipients perceived improvement in health • Increased spending on school uniforms, shoes and books • Reduction in waged child labour • Increase in income-earning work and business start-ups • Decrease in household debt • Increase in women’s household and financial empowerment • Girls and women benefited disproportionately in nutrition, health and education outcomes • “Unconditional Cash Transfers are beneficial and the benefits build on one another.”
References:	<ul style="list-style-type: none"> • http://unicef.in/Uploads/Publications/Resources/pub_doc83.pdf 		

KENYA AND UGANDA	GiveDirectly	GiveDirectly is a pioneering and highly-ranked American charity that makes direct cash transfers to the extremely poor in Kenya and Uganda.	<ul style="list-style-type: none"> • 34% increase in earnings by transfer recipients • 52% increase in assets of transfer recipients • 42% reduction in days children go without food • 0% effect on alcohol or tobacco spending
References:		<ul style="list-style-type: none"> • http://www.givedirectly.org/ • http://www.princeton.edu/~joha/publications/Haushofer_Shapiro_UCT_2013.pdf 	

PLACE	PROGRAM(S)	SUMMARY DESCRIPTION	SUMMARY EVIDENCE
MALAWI	Malawi Cash Transfer Program (2008–2009)	Never married women aged 13–22 from 176 enumeration areas in Zomba region were randomized into treatment and control groups. The treatment group were further randomized into a conditional cash transfer arm and an unconditional cash transfer arm. Those in the conditional cash transfer arm received payments only if their daughters attended school.	<ul style="list-style-type: none"> • In the combined treatment group, prevalence of HIV and HSV2 were significantly lower than in the control group at 18 months even though conditions did not target sexual behaviour • Cash transfers conditional on daughters attending school had a more significant effect on enrollment and English language scores than unconditional transfers • Both conditional and unconditional cash transfers led to increases in female enrollment and test scores relative to the controls • The prevalence of early marriage and teenage pregnancy was significantly lower among those receiving uncontrolled cash transfers due almost entirely to the poorest and most marginalized families
References:	<ul style="list-style-type: none"> • http://www.sciencedirect.com/science/article/pii/S0140673611617091 • http://qje.oxfordjournals.org/content/early/2011/10/12/qje.qjr032.full.pdf 		
NAMIBIA	Basic Income Grant Pilot Project	Over 2008–2009, a privately financed, pilot, unconditional cash transfer program involving 1000 basic income recipients in Otjivero-Omitara	<ul style="list-style-type: none"> • Significant decrease in household poverty • Significant reduction in child malnutrition • Significant increase in school attendance • Increase in income-generating activities, including business start-ups • Reduction in household debt • Increase in women's autonomy • Decrease in prostitution • Significant reduction in crime • Significant population migration to the pilot area • "The BIG [Basic Income Grant] is a form of social protection, which reduces poverty and supports pro-poor economic growth."
References:	<ul style="list-style-type: none"> • http://www.spiegel.de/international/world/a-new-approach-to-aid-how-a-basic-income-program-saved-a-namibian-village-a-642310.html • http://www.bignam.org/Publications/BIG_Assessment_report_08b.pdf • http://www.basicincome.org/news/2015/10/namibia-basic-income-grant-back-on-national-agenda/ 		

Further reading:

- Foreign Affairs article (2014): <http://www.cfr.org/poverty/show-them-money/p32888>
- The Correspondent article, nominated for a European Press Prize (2014): <http://www.basicincome.org/news/2014/11/rutger-bregman-why-we-should-give-free-money-to-everyone-2/>
- The Economist article (2013): <http://www.economist.com/news/international/21588385-giving-money-directly-poor-people-works-surprisingly-well-it-cannot-deal>
- UK Department for International Development report (2011): http://www.who.int/alliance-hpsr/alliancehpsr_dfidevidencepaper.pdf